



County of Los Angeles
CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

October 11, 2011

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

13 October 11, 2011

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

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Fifth District

**GRAND AVENUE PROJECT – PHASE IIB
APPROVE THE SCHEMATIC DESIGN
(ALL DISTRICTS) (3 VOTES)**

SUBJECT

Approval of the recommended actions will allow the Grand Avenue L.A., LLC (previously known as The Related Companies, L.P.) to proceed to the next phase of the design work for the Grand Avenue Project – Phase IIB, a mixed-use development on Parcel M-2 owned by the Community Redevelopment Agency of the City of Los Angeles in the Bunker Hill Redevelopment Project Area.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve the schematic design, on file in the Chief Executive Office, including requirements for project amenities/elements, of the Grand Avenue Project - Phase IIB, as recommended by the Grand Avenue Joint Powers Authority to both the County and the Community Redevelopment Agency of the City of Los Angeles pursuant to Section 405 of the Amended Disposition and Development Agreement.
2. Authorize the Chief Executive Officer to take other actions consistent with implementation of this approval.

"To Enrich Lives Through Effective And Caring Service"

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PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The recommended actions will allow the Grand Avenue L.A., LLC (Developer) to proceed with the next phase of design work for the Grand Avenue Project - Phase IIB (Project), a mixed-use development on Parcel M-2, located at 237 South Grand Avenue in the Bunker Hill Redevelopment Project Area.

Background

The Grand Avenue Joint Powers Authority (Authority) was created in September 2003 through a Joint Powers Agreement, between the County and Community Redevelopment Agency of Los Angeles (CRA) and is a separate legal entity which selected The Related Companies, L.P. as the developer for the Project in September 2004 after a public process.

In February 2007, August 2010, and May 2011, your Board approved various actions relative to the phased development of the Project. Among those actions was the approval, in form and substance, of the First and Second Amendments to the Disposition and Development Agreement (DDA) between the Authority and the Developer, which: 1) outlined the terms and conditions for development and lease of the Bunker Hill Properties owned by the County and CRA; 2) approved the change in scope of development to permit construction of the Broad Museum; and 3) divided the remaining Grand Avenue Project Phase II into Phases IIB and IIC. The Amended DDA now requires the County, CRA, and Authority to approve the Phase IIB schematic design drawings.

Project Design

In accordance with the Amended DDA, the schematic design includes residential tower and retail development on Parcel M-2 located south of General Thaddeus Kosciuszko Way (GTK Way). The design of the Project is intended to compliment the Broad Museum and allows for a plaza surrounding the residential tower to connect with the GTK Way plaza and create public and private zones. A site plan and profile of the proposed residential tower are depicted in Attachment A.

The Project is a 19-story tower above three levels of parking, extends vertically from the grade at Lower Grand Avenue to the level of Upper Grand Avenue. The parking will not be visible to pedestrians on Upper Grand Avenue or the proposed GTK Way plaza.

The tower, with construction anticipated to begin in October 2012, will include 258 residential rental units, including 53 studios, 134 one-bedroom, and 71 two-bedroom apartments. In accordance with the Amended DDA, 20 percent (52 units) will be restricted through a 55-year covenant for rental to low-income households earning less than 60 percent of area median income. The remaining 80 percent of the residential units will be rented at market rates. Unit sizes will vary from 530 to 670 square feet for studios, 740 to 900 square feet for one-bedroom units, and 950 to 1,404 square feet for two-bedroom units. Three penthouse units will range in size from 1,450 to 1,890 square feet.

Residential amenities will include a fitness center with an outdoor pool, a technology center, a residence only theater, three separate landscape outdoor seating areas with fireplace and barbecues, a yoga area, dog run and a rooftop terrace with a party room, bar area, and barbeque pavilion. In addition, there will be a café and restaurant located on the ground level with ample outdoor seating areas affording views of surrounding Grand Avenue attractions.

The landscape concept provides for a variety of outdoor functions that include seating areas, barbecue zones, and water features. The residential tower façade will be precast and texturally similar and complimentary to the design of the adjacent Broad Museum being constructed just north of the Project site.

The residential tower and Broad Museum will eventually be connected by way of a public plaza which bridges GTK Way at the level of Upper Grand Avenue. This public plaza, to be designed over the next year, is expected to accommodate additional outdoor dining areas, and will link both buildings with Grand Avenue and its enhanced streetscape, wider sidewalks, and cultural and retail activity. In addition, the western end of the proposed Project, along Hope Street, includes a stairwell and elevator to provide pedestrians and visitors a connection to the shared plaza area, offsetting the grade separations of Hope Street and Grand Avenue, and providing direct accessibility to the future Metro Regional connector light rail station on Hope Street.

It is recommended that your Board approve the schematic design for the Project, which is on file in the Chief Executive Office (CEO), to facilitate the original objectives of the Project and delegate authority to the CEO to implement any consistent administrative actions necessary to implement the Project.

The CRA and Authority approved the schematic design at their September 15 and 26, 2011 meetings, respectively.

FISCAL IMPACT/FINANCING

The Project affordable housing will be partially funded by the \$7.7 million allocated by the Authority for affordable housing under the First Amendment to the DDA relating to the proposed Broad Museum and a 55-year residual receipts loan of \$5.626 million from the CRA that will be deposited with the Authority and disbursed during construction. The CRA will deposit the affordable housing funds with the County Treasurer and Tax Collector to hold for the Authority to disburse in accordance with the DDA, as amended.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Section 405 of the Amended DDA among the Authority, Developer, and the Broad Collection (Phase IIA Developer), requires the County, CRA, and the Authority to review and approve the schematic design drawings.

ENVIRONMENTAL DOCUMENTATION

On February 13, 2007, acting as a responsible agency, your Board certified the Project Environmental Impact Report (EIR) as prepared and certified by the Authority as Lead Agency for the Grand Avenue Project.

In August 2010, acting as a responsible agency, your Board certified the Addendum to the previously certified Final EIR in connection with the First Amendment to the DDA related to the Broad Museum improvements.

The recommended actions are within the scope of the Grand Avenue Project in the previously certified Final EIR.

The Honorable Board of Supervisors
October 11, 2011
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CONCLUSION

Please return one adopted copy of this Board letter to the Chief Executive Office,
Capital Projects Division.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'W. T. Fujioka', written over a horizontal line.

WILLIAM T FUJIOKA
Chief Executive Officer

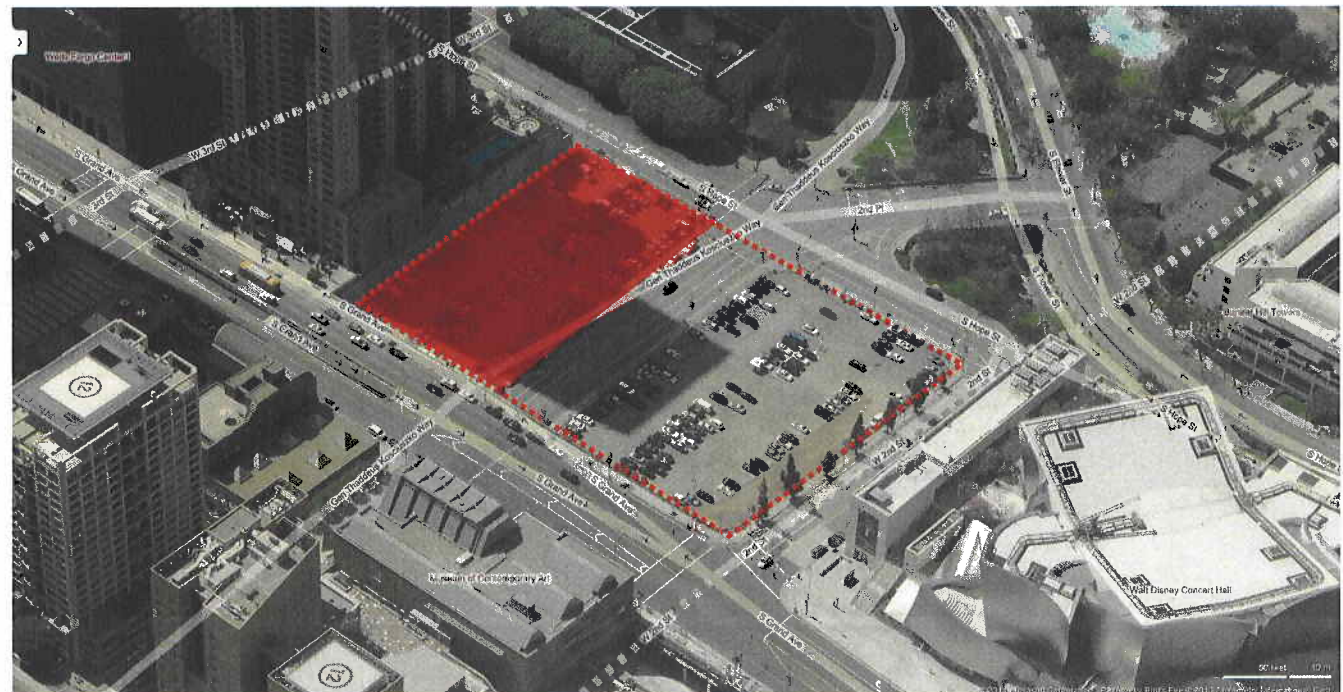
WTF:RLR:DJT
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Attachment

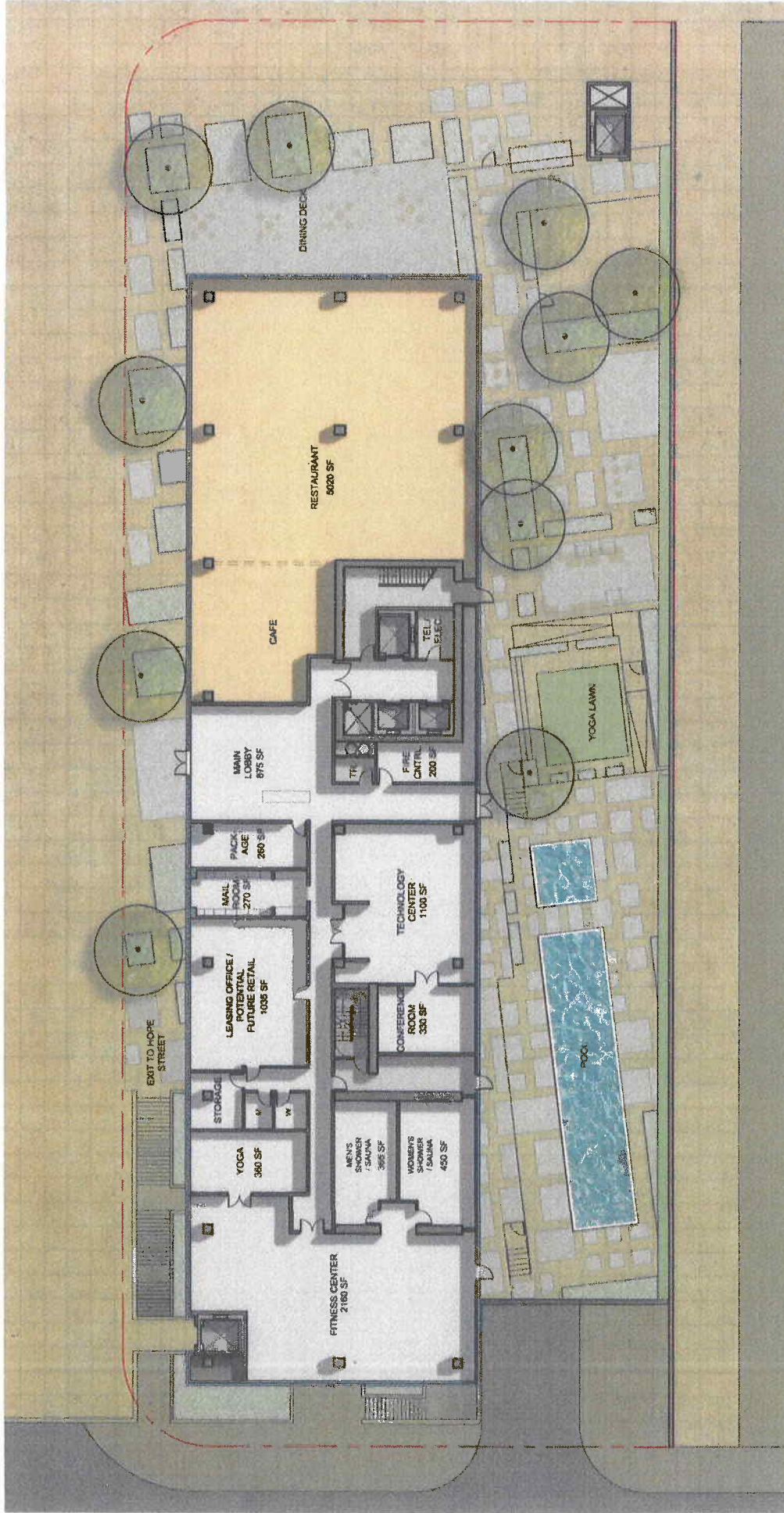
c: Executive Office, Board of Supervisors
County Counsel
Treasurer and Tax Collector
The Los Angeles Grand Avenue Authority

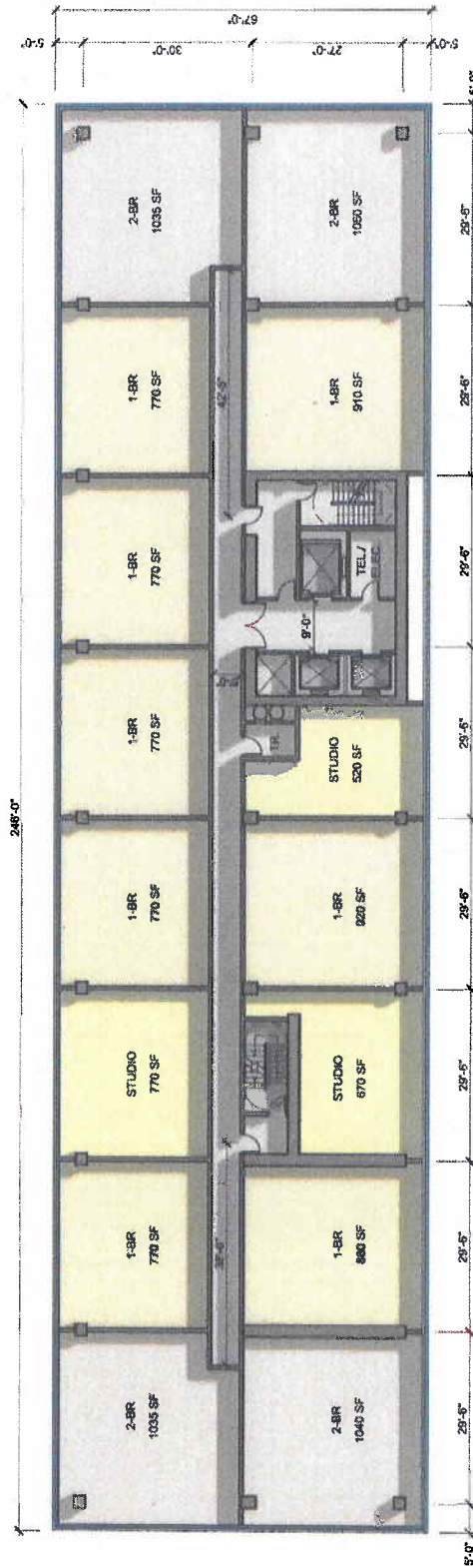
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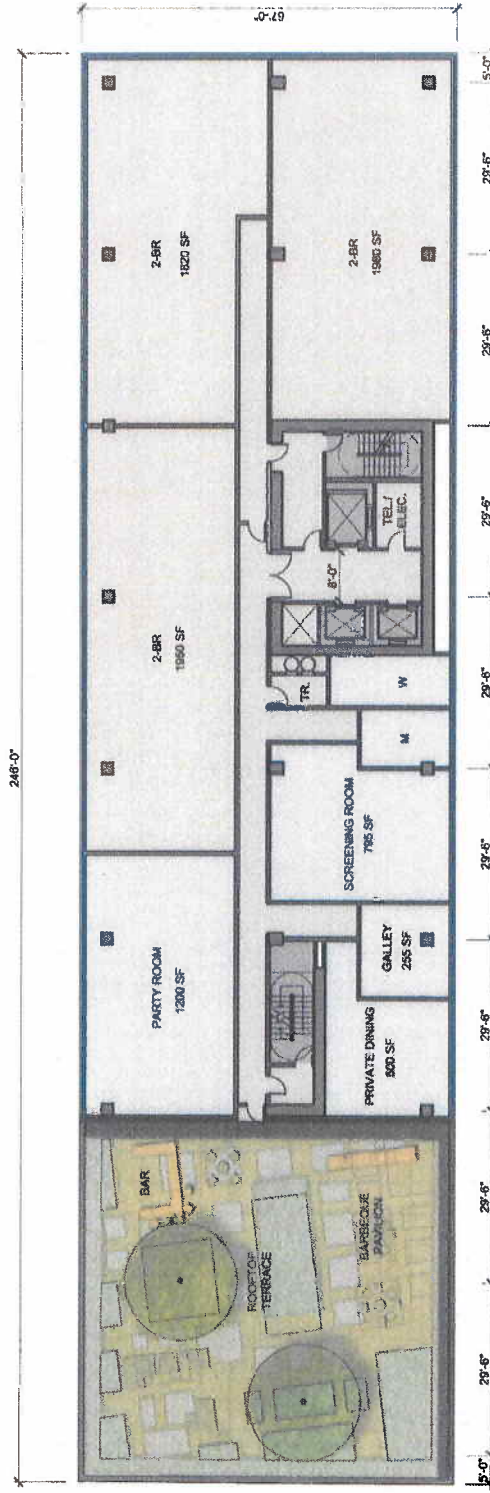
Bunker Hill Redevelopment Project Area



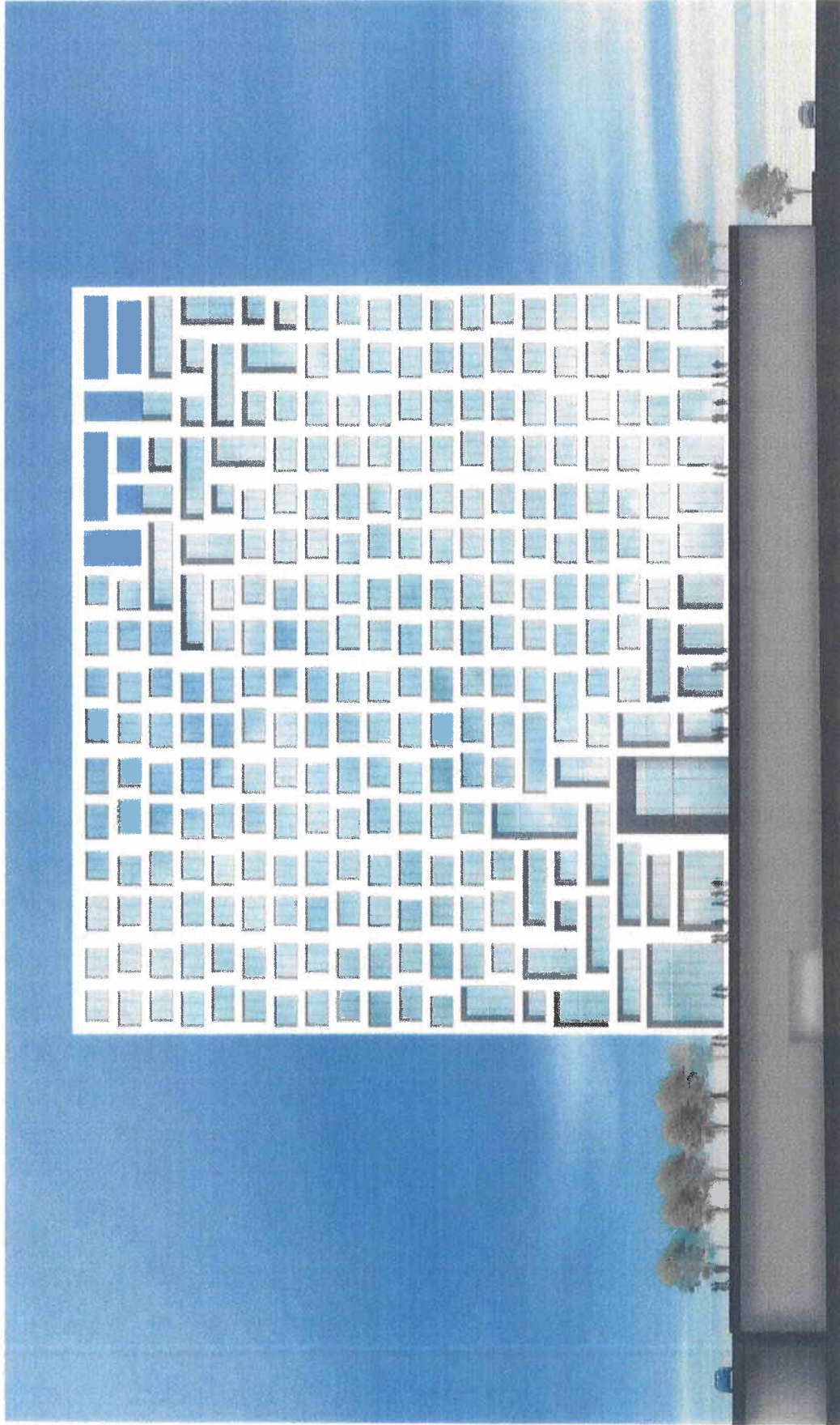
Site aerial, looking west







ELEVATIONS



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RELATED

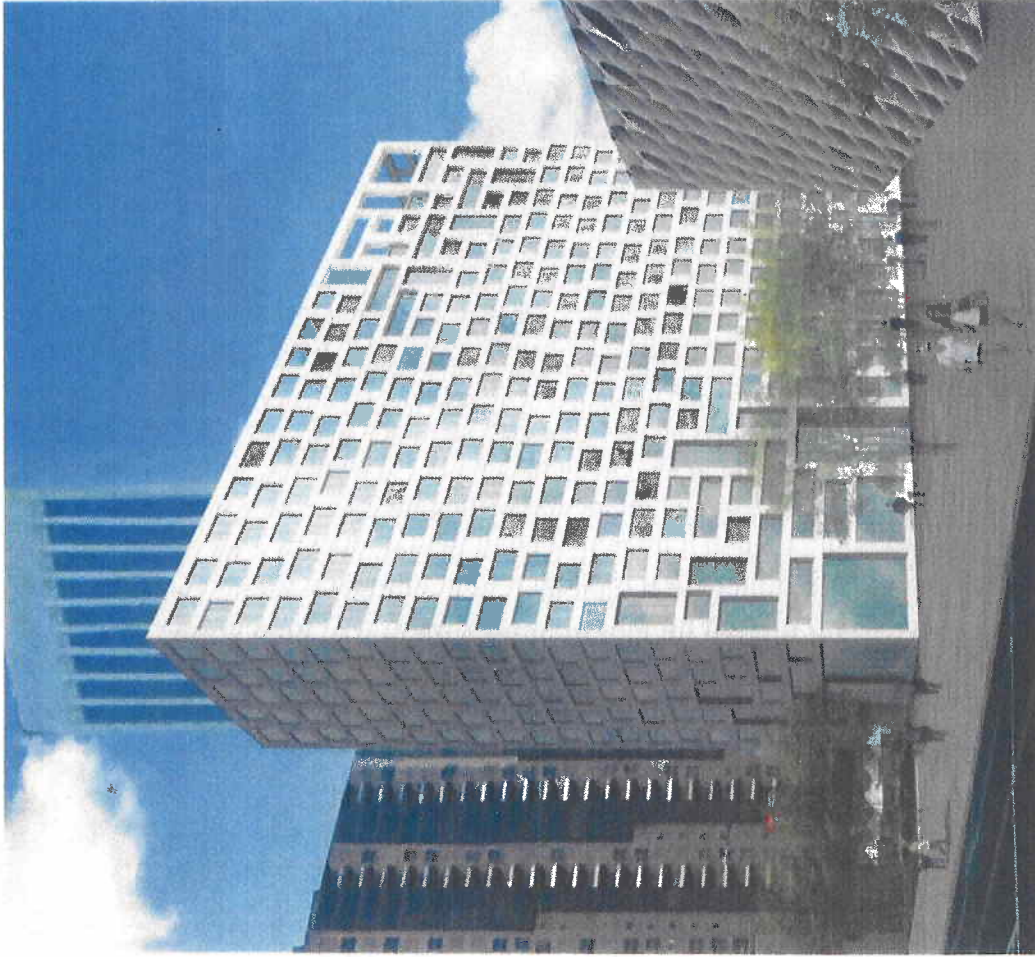
GRAND AVENUE PARCEL M
LOS ANGELES, CALIFORNIA
2011.05.22

15' 0" 30'

NORTH ELEVATION

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GRAND AVENUE VIEW

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